Porm No. 84-6 April 1840

INCOMING CLASSIFIED MESSAGE

CENTRAL INTELLIGENCE AGENCY

#SECRET PAGE No. **SECURITY INFORMATION** FROM: SALZBURG ROUTINE To: SPECIAL OPERATIONS 6 JAN 52 ACTION: FDM (1-2-3) IN 11359 INFORMATION: IP (4-5), AD/SO (6), OPS (7), PLANS (8), S/C (9-10-11), STG (12), FDP (13), DBP (15), Paraphrase Not Required. Handle as SECRET Correspondence per Page. \$1 (1) 60A AR-330-5

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TO: WASHF

INFO: KARLE, PULLE, VIENE

C!TE: SALZF

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HAAS

STATING NETTING UP MEDITERRANEAN INTELLIGENCE STRUCTURE FOR CAPOTE AND ASKING 201 ACT AS CHIEF FOR ITALY AND NEAR EAST. INTRODUCED BARON HARRY MAST AS HIS CHIEF OF STAFF AND SAID COLLABORATING WITH OTTO LNU (SUSPECTED HERE TO BE USAGE) AND WITH FNU LANGEN.

2. HOETTL STATED GERMAN DEFENSE MINISTRY TO BE ESTABLISHED IN FIVE TO SIX MONTHS WITH SECURITY MATTERS UNDER BLANK. GAPOTE NOW FOUNDING I SERVICE TO BE ACTIVATED WHEN MINISTRY FORMAL. IF GRUESOME 201 ACCEPTS, FIDETTL AND CAPOTE TO GO TO ROME IN FEBRUARY TO INTRODUCE TO AMRASSADOR BRENTAND. 201 AND OTHER RECRUITS TO MAINTAIN PRESENT CONNECTIONS AND LIVELSHOOD UNTIL MINISTRY SET UP WHEN 201 TO GET COMMERCIAL COVER WITH GERMAN FIRM LIKE CHLORDENT OR MERCEDES AND ACCREDITATION TO ITALIAN SERVICE, THEN TO SEVER OTHER ALLIED CONNECTIONS. 201 TO HANDLE GERMAN-ITALIAN LIAISON ALL INTELLIGENCE MATTERS.

3. HOETTL STATED CAPOTE FORMERLY WORKED WITH TO SUT PRESENT PLAN INDEPENDENT. ADDED ZIPPER DOOMED FAIL DECAUSE OF MISTAKES AND EXCESSIVE AMBITION OF UTILITY.

L. HOETTL TENTATIVELY CODED GRUESOME 201 AS L606 AND PROPOSED HE BEGIN AT ONCE SENDING REPORTS BY COUPLER FROM ROME TO BO ZANO WHERE HOETTL'S COURIER WILL PICK UP. NOTE HOETTL UNAWARE GRUESOME 201 NOW RESIDING AND OPERATING AUSTRIA. 20 REPLIED IF ACCEPTS WOULD PREFER USE OWN COURIER TO INNSBRUCK TO MAIL MATERIAL TO

TOR:

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NAZI WAR CRIMES DISCLOSURE ACT

E) EMPTIONS Section 3(b)

(2)(A) Priviley

(2)(E) Mathods/Sources (2)

(2)(G) Foreign Relations:

MAILABLE

Decassified and Approved for Release by the Central Intelligence Agency Date:

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PAGE TWO IN 11359

HOETTL'S POST-BOX ALT AUSSEE.

5. HOETTL CLAIMS REING PROCESSED FOR GERMAN CITIZENSHIF UNDER OWN NAME. CAN KARL CHECK?

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- 6. C COMMENT. IN VIEW HOETTL'S HABITS LIKELY HE BUILDING APPARAT WITHOUT FULL CAPOTE KNOWLEDGE AND VILL OFFER STRUCTURE GAMBLING THAT CAPOTE WILL ACCEPT IN ORDER STRENGTS EN HAND AGAINST UTILITY WHOSE ITALIAN LINES WEAK. DOUBT ACTIVE HOETTLAISAGE COLLABORATION.
- 7. GRUESOME 201/ASKS GUIDANCE. STATES WILLING COUBLE ACAIUST ANY FUTURE GERMAN SERVICE. WOULD LIKE AGAIN HAVE OFFICIAL POSITION AND REGULAR WORK, NOTE HE REING DEVELOPED THROUGH GREESOME AS POSSIBLE LONG RANGE ASSET. PLANNED TO BREAK IN AS P/A IN REDGAS OPERATIONS SOVIET NORTHEAST AUSTRIA. INVOLVMENT WITH HOETTL-CAPOTE WOULD SCOTCH THIS.

GRUESONE = USFA G1 De4 35

8. BELIEVE GRUESOME 20% CAN PERFORM AS PENETRATION OF TERMAN SERVICE IN ITALY IF DESIRED AND IF HOETTL OFFER SOLID. NOTE WE CONTROL HIS PRESENT FALSE IDENTITY WHICH HASED ON DECUMENTS ISSUED BY ITALIAN GOVERNMENT UNDER GRAGORA SPONSDRSHIP. HE COMMITTED TO THIS IDENTITY BY MARRIAGE UNDER IT TO DEVOUT CATHOLIC AND LITER BIRTH OF DAUGHTER. WE INCLINED TO THINK HIS LOYALTY TO GRUESOME 4 CENUINE.

GRAGIRA = CIC DET 430th 62 USFA

- 9. IF HOETTL/CAPOTE/CONNECTION NOT CESTRABLE OF OFFER NOT SOLID BELIEVE NECESSARY NEUTRALIZE HOETTL PROTECT 201 FROM SUTURE MOLESTINGS. GRUESOME HAPPY TRY THIS SINCE WOULD ALSO ELIMINATE ANNOYING PAPER MILL.
 - 10. HQS GUIDANCE AND GERMAN STATION ADVICE REQUESTED.
 - 11. FOR WASH ONLY. GRUESOME 201 IDENTICAL SUBJECT MASA 1090.

TOR: 1601Z 6 JAN 52

Large Williams

